



Senator Don Farrell

Parliamentary Secretary
for Sustainability and Urban Water



Government
of South Australia

Hon Paul Caica

Minister for Environment & Conservation
Minister for the River Murray
Minister for Water

Wednesday, 3 August 2011

AGREEMENT ON \$228 MILLION FUNDING FOR ADELAIDE DESALINATION PLANT

The Australian and South Australian Governments have finalised an agreement for Australian Government funding of \$228 million towards the expansion of the Adelaide Desalination Plant to 100 gigalitres, as part of its total commitment of \$328 million towards the plant.

Parliamentary Secretary for Sustainability and Urban Water, Senator Don Farrell and South Australian Minister for Water and the River Murray Paul Caica, said the funding will provide a substantial benefit for South Australia's security of domestic supply while also supplying environmental benefits.

"The agreement ensures a six gigalitre environmental water entitlement for the River Murray every year, and will also provide between 12 and 24 gigalitres as an environmental allocation during favourable years—capped at 120 gigalitres over a 10 year rolling period," Senator Farrell said.

"It's a landmark step in creating a sustainable future for Adelaide—balancing the needs of a growing population and the need to secure environmental flows for the iconic River Murray.

"This investment illustrates the government's commitment to water security in Adelaide, along with the more than \$230 million already committed to a range of urban water projects in South Australia such as stormwater harvesting and water recycling."

Mr Caica said it was certain that we will again be in drought and the desal plant will provide South Australia with a guaranteed water supply.

"Expanding the desalination plant is critical to providing Adelaide's increasing population with a secure drinking water supply in a future affected by a changing climate," he said.

"A more secure water source for Adelaide also supports the whole community through business investment and jobs. The agreement balances the need to reduce our reliance on the River Murray while providing a secure and sustainable supply for South Australia's water users."

Environmental water delivery and use will be confirmed by the Murray Darling Basin Authority and will be open and publicly reported. Once an appropriate accounting methodology has been agreed with the MDBA, the environmental water will be available to offset any sustainable diversion limit that may be established by the Basin Plan for South Australia.